



PARLIAMENTARY STANDING COMMITTEE OF PUBLIC ACCOUNTS

ANNUAL REPORT 2016-17

Members of the Public Accounts Committee

Legislative Council

Hon Ivan Dean MLC (Chair)

Hon Ruth Forrest MLC

Hon Michael Gaffney MLC

House of Assembly

Mr Scott Bacon MP

Ms Sarah Courtney MP (Deputy Chair)

Mrs Joan Rylah MP

Table of Contents

| | |
|---|---|
| THE PUBLIC ACCOUNTS COMMITTEE | 3 |
| A. Background..... | 3 |
| B. Responsibility of the Committee..... | 4 |
| C. Committee Activities..... | 5 |
| YEAR IN REVIEW – 2016-17 | 6 |
| A. Current Inquiries..... | 6 |
| B. Reports Issued..... | 7 |
| AUSTRALASIAN COUNCIL OF PUBLIC ACCOUNTS COMMITTEE | 7 |
| A. Background..... | 7 |
| B. ACPAC Activities 2016-17 | 8 |
| ADMINISTRATION | 9 |
| A. Members’ Attendance | 9 |
| B. Committee Secretariat..... | 9 |

THE PUBLIC ACCOUNTS COMMITTEE

A. Background

The Public Accounts Committee (the Committee) is a Joint Standing Committee of the Tasmanian Parliament constituted under the *Public Accounts Committee Act 1970*.

The Committee comprises six Members of Parliament, three Members drawn from the Legislative Council and three Members from the House of Assembly.

Under section 6 of the *Public Accounts Committee Act 1970* the Committee:

- must inquire into, consider and report to the Parliament on any matter referred to the Committee by either House relating to the management, administration or use of public sector finances; or the accounts of any public authority or other organisation controlled by the State or in which the State has an interest; and
- may inquire into, consider and report to the Parliament on any matter arising in connection with public sector finances that the Committee considers appropriate; and any matter referred to the Committee by the Auditor-General.

The Committee also has oversight responsibilities regarding the independence of the Auditor-General, which are derived from the *Audit Act 2008*.

An important area of focus for the Committee is following up Auditor-General's reports to Parliament under Section 6.2(b) of the Act.

In scrutinising the work of the Auditor-General, the Committee believes it can provide greater awareness within the Parliament and the community, leading to increased information and greater transparency.

B. Responsibility of the Committee

The Committee has responsibility in key areas encompassing Public Accounts and Auditor-General independence oversight.

(i) Public Accounts

The Committee has key roles in this area including undertaking general inquiries into some aspects of administration or public sector management, including inquiries into the accounts of any public authority or other organisation controlled by the State or in which the State has an interest (these inquiries can be resulting from a referral from either House or can be self-initiated); and following up matters referred by the Auditor-General to the Committee.

An important area of focus for the Committee is following up Auditor-General's reports to Parliament in accordance with section 6.2(b) of the Act. The Committee is pleased to report that it has continued its series of rolling reviews of Auditor-General's Reports in 2016-17.

The Committee and the Auditor-General share a common mission "to enhance public sector accountability and performance" which is reinforced in their 2012 Memorandum of Understanding. While the work of both parties is complementary, the Memorandum of Understanding reinforces the independence of each party in the carrying out of duties under their respective legislation.

(ii) Auditor-General Independence Oversight

The Committee has a statutory responsibility under the *Audit Act 2008* to:

- Section 9 - consult with the Treasurer regarding the appointment of the Auditor-General;
- Section 11 - review the Auditor-General's draft annual plan, and provide comments on it to the Auditor-General prior to its finalisation and tabling in Parliament; and
- Section 44 - review the findings of the periodic review of the efficiency, effectiveness and economy of the Tasmanian Audit Office operations.

C. Committee Activities

The Committee activities include a mix of self-initiated inquiries and referred inquiries. The Committee receives submissions and conducts briefings and hearings on such matters as required.

Results of inquiries are presented in reports that are tabled in both the House of Assembly and the Legislative Council. Those reports are available to the public and are posted on the Committee website:

<http://www.parliament.tas.gov.au/ctee/Joint/pacc.htm>.

The website provides background information on the Committee's roles and functions, and provides details of members, administration, current inquiries, meeting dates, recent reports and past inquiries.

The Committee also has an email address: pac@parliament.tas.gov.au, which is used for outside correspondence with the public and external bodies.

The Committee receives administrative and other support from its Secretariat, and timely and valuable research assistance from the Parliamentary Research Service.

YEAR IN REVIEW – 2016-17

A. Current Inquiries

1. A self-initiated inquiry into the financial position and performance of Government owned energy entities.

This Inquiry was initiated following a motion by the Member for Murchison, the Hon Ruth Forrest MLC, to establish a Legislative Council Select Committee into the financial position and performance of Government owned energy entities.

The Leader of the Government in the Legislative Council, the Hon Dr Vanessa Goodwin MLC wrote to the Committee and suggested the Public Accounts Committee could undertake such an Inquiry.

The Committee resolved to initiate the Inquiry on 16 March 2016. The terms of reference adopted by the Committee were expanded from the financial position and performance of the entities to take account of the energy supply crisis of 2015-16.

The Committee received 16 submissions and held eight public and one private hearing for the Inquiry.

The final Report was tabled 15 August 2017.

2. A self-initiated inquiry to review the *Public Accounts Committee Act 1970*.

The Committee received 5 submissions and held one public hearing for the Inquiry.

The final Report was tabled 28 November 2017.

3. The work of the Energy Inquiry took precedence and the following reviews, commenced in the prior year, will be finalised following that Inquiries completion:

A follow-up review of Auditor-General Reports:

- **No. 11 of 2013-14:** Compliance with the Alcohol, Tobacco and Other Drugs Plan 2008-13;
- **No. 1 of 2013-14:** Fraud control in local government;
- **No. 12 of 2013-14:** Quality of Metro Services; and

- **No. 3 of 2014-15:** Motor vehicle fleet management in government departments.

A follow-up review of a number of Public Works Committee approved project works including:

- West Tamar Highway near Brady's Lookout;
- Mathinna/Evercreech bridge replacements;
- Midland Highway, Symmons Plains and Bass Highway, North of Gannons Hill;
- Murchison Highway Upgrades;
- North West Freight Roads;
- Rokeby Main Road;
- Tarkine Forest Drive;
- Three Capes Track;
- North West Cancer Care Centre and Department of Emergency Medicine; and
- Prisons Infrastructure Redevelopment Program, Stage D1.

B. Reports Issued

During 2016-17 the Committee met on thirty-two occasions and has tabled the following reports:

- **Report No 4 of 2017:** Unauthorised Disclosure of Committee Deliberations.
- **Report No 5 of 2017:** Failure to Comply with Summons.

AUSTRALASIAN COUNCIL OF PUBLIC ACCOUNTS COMMITTEE

A. Background

The Australasian Council of Public Accounts Committees (ACPAC) was established in 1989. ACPAC is an 'umbrella' organisation of Public Accounts Committees with membership open to all Australasian Parliamentary Public Accounts Committees.

The aims of ACPAC include the following: to facilitate the exchange of information and opinion relating to Public Accounts Committees, to discuss matters of mutual concern and to improve the quality and performance of Public Accounts Committees in Australasia.

An APCAC conference is held every two years, and in the intervening year a mid-term meeting is held to develop an agenda for the next ACPAC conference, as well as to discuss other issues of mutual concern around Public Accounts Committee related themes. The Tasmanian Parliamentary Standing Committee of Public Accounts is a full member of ACPAC and as such, is committed to support its role and function.

B. ACPAC Activities 2016-17

The Committee maintains an active involvement in ACPAC affairs and has supported ACPAC during the past year as follows:

2017 ACPAC Conference

The 2017 conference was held in Brisbane, Queensland on 19-21 April 2017.

The Chair, Hon Ivan Dean MLC attended.

Further details of the conference can be found on the ACPAC website:

<http://www.acpac.asn.au/conferences.htm>

ADMINISTRATION

A. Members' Attendance

Committee Meetings and Hearings were scheduled and conducted throughout the year.

Attendance by Committee members at full committee meetings over the period 1 July 2016 to 30 June 2017 is recorded below:

| | Full Committee Meetings | |
|-----------------------------------|-------------------------|----------|
| | Eligible to Attend | Attended |
| 48th Parliament | | |
| Ivan Dean MLC (Chair) | 32 | 32 |
| Scott Bacon MP | 32 | 32 |
| Sarah Courtney MP | 32 | 31 |
| Michael Gaffney MLC | 32 | 31 |
| Ruth Forrest MLC | 32 | 30 |
| Joan Rylah MP | 32 | 32 |

B. Committee Secretariat

The Committee was assisted by the following secretariat:

| | |
|---------------------|-----------------------|
| Secretary | Ms Gabrielle Woods |
| Executive Assistant | Ms Allison Waddington |
| Research Officer | Dr Bryan Stait |



Hon Ivan Dean MLC
Chair

29 August 2018

